



SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

LABOR FORCE & EMPLOYMENT

Seaport's seasonally adjusted unemployment rate decreased in August to 4.5 percent from July's rate of 4.6 percent, as shown in Seaport Table 1. In August 2001, the rate was 3.8 percent. Even though the unemployment rate dropped slightly, total employment in August 2002 decreased by 320 from July. Year-over-year employment increased by 140 people. The reason for the month-over-month decrease in the rate was that unemployment decreased by 60 from July. In spite of that monthly decrease, unemployment has increased by 260 year-over-year.

In August, Seaport's *Nonfarm Payroll Jobs* decreased by 320 from July 2002, although the number of jobs remained the same as August 2001. The job decrease from July occurred in almost all industries with only small increases in *Transportation, Wholesale Trade* and *Services* jobs. Large job decreases were recorded in *Construction* and *Manufacturing*. Both industrial and residential construction jobs decreased as projects were completed. Construction jobs can be seasonal with slowdowns starting in September and October. In spite of these early decreases, several large projects will start in September such as the Nez Perce Tribe Clearwater Casino project near Lewiston. *Manufacturing* also posted a decrease in jobs because of seasonal cutbacks after the pea harvest was completed.

SPECIAL TOPIC:

Unemployment Insurance & Wages

Stabilizing the Economy: Besides helping unemployed individuals and families transition from one job to another, unemployment insurance (UI) acts as an automatic economic stabilizer. In a recession, UI benefits offset some of the effects of job losses on a community's spending power. UI benefits assist individuals and their families in continuing to meet their needs and pay

Seaport Table 1: Labor Force & Employment
Nez Perce County, Idaho and Asotin County, Washington

	Aug 2002*	July 2002	Aug 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	35,550	35,930	35,150	-1.1	1.1
Unemployment	1,600	1,660	1,340	-3.6	19.4
% of Labor Force Unemployed	4.5	4.6	3.8		
Total Employment	33,950	34,270	33,810	-0.9	0.4
Unadjusted					
Civilian Labor Force	35,310	35,780	34,940	-1.3	1.1
Unemployment	1,350	1,500	1,130	-10.0	19.5
% of Labor Force Unemployed	3.8	4.2	3.2		
Total Employment	33,960	34,280	33,810	-0.9	0.4
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	25,920	26,240	25,920	-1.2	0.0
Goods-Producing Industries	5,330	5,630	5,450	-5.3	-2.2
Mining & Construction	1,460	1,570	1,570	-7.0	-7.0
Manufacturing	3,870	4,060	3,880	-4.7	-0.3
Food Processing	110	280	120	-60.7	-8.3
Lumber & Wood Products	720	730	730	-1.4	-1.4
Paper Products	1,700	1,700	1,720	0.0	-1.2
All Other Manufacturing	1,340	1,350	1,310	-0.7	2.3
Service-Producing Industries	20,590	20,610	20,470	-0.1	0.6
Transportation	1,360	1,350	1,380	0.7	-1.4
Communications & Utilities	270	270	280	0.0	-3.6
Wholesale Trade	990	960	980	3.1	1.0
Retail Trade	4,860	4,870	4,980	-0.2	-2.4
Finance, Insurance, & Real Estate	1,720	1,730	1,410	-0.6	22.0
Services	6,860	6,780	6,680	1.2	2.7
Government Administration	2,750	2,810	2,790	-2.1	-1.4
Government Education	1,780	1,840	1,970	-3.3	-9.6

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

their bills. As a result, UI benefits also help maintain the spending power of the landlords, stores, banks, and other businesses that provide products and services to those individuals and families. UI benefits soften the blow to family finances that losing a job entails and reduces the effect that job losses can have on the economy of a community.

Retaining a Local Workforce: Unemployment Insurance promotes stability by making it possible for employers to retain workers during the off-season or a short downturn. Many seasonal industries would find it much more difficult to attract and retain employees if their workers could not rely on UI benefits to help support them through the off-season.

In North Central Idaho, \$12,566,761 was paid out in UI benefits for the state fiscal year 2002, up \$1,030,108 from 2001. For a breakdown of dollars paid and numbers of weeks paid in the region, see Seaport Table 2 on page 10.

Seaport Table 2: Amount of Unemployment Insurance Payments						
County	Number of Weeks Paid State Fiscal Year			Dollar Amount Paid State Fiscal Year		
	2002	2001	Change	2002	2001	Change
Clearwater	11,606	13,191	-1,585	\$2,749,029	\$3,151,141	-\$402,112
Idaho	12,074	11,535	539	\$2,675,680	\$2,423,122	\$252,558
Latah	10,595	8,722	1,873	\$2,477,910	\$2,000,105	\$477,805
Lewis	2,075	1,910	165	\$443,709	\$399,818	\$43,891
Nez Perce	19,340	17,224	2,116	\$4,220,433	\$3,562,467	\$657,966
Total North Central Idaho	55,690	52,582	3,108	12,566,761	11,536,653	\$1,030,108

AREA DEVELOPMENTS

Idaho County & Lewis Counties:

- U.S. Forest Service Chief Dale Bosworth is asking environmentalists and the timber industry to agree on areas where timber harvest should occur. While common ground may be rare ground, there appear to be a few places in the Nez Perce National Forest where the two often-disparate groups agree some sort of timber harvest should happen. Environmentalists point to the small Dixie fuels reduction project as one place they have not sought to stop the cutting of timber or brush. The project is aimed at reducing the risk of fire to the distant town of Dixie. Environmentalists also agree with Bill Mulligan of Three Rivers Timber Co. in Kamiah and Dick Willhite, resource manager of the Shearer lumber mill in Elk City, that the beetle-infested Red River drainage could be logged without harming the environment.
- Camas Prairie RailNet was given the authority in September to begin salvage work on the line from Spalding to Grangeville. The railroad abandoned the line in September 2000. Although a contract was signed with a salvage company in March 2001, safety, historical, public use, and environmental conditions imposed by the U.S. Surface Transportation Board had to be satisfied before the rails and ties could be pulled. In addition, changes were made to the original conditions which eliminated the need to complete an Endangered Species Act assessment and a National Historic Preservation Act assessment before salvaging the line. The changes also do away with consulting the Idaho Department of Environmental Quality and the Nez Perce Tribe regarding development of a Track Salvage and Stream Restoration Work Plan. But a new condition was added requiring the railroad to abide by the terms of its negotiated agreement with the tribe regarding stream restoration affecting Lapwai Creek and its tributaries. The salvage does not include bridges.

Latah County

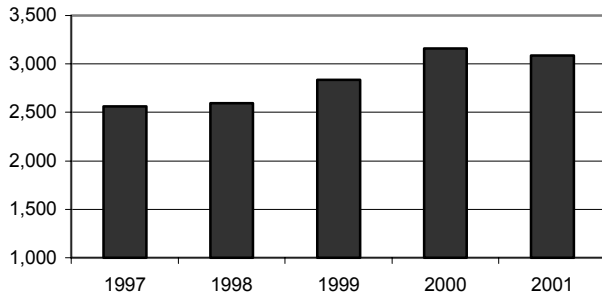
- Plans for the Palouse Discovery Science Center has taken a giant step forward with a donation of a building to house the center. Schweitzer Engineering Laboratories Inc. is giving a five-year lease on 11,000-square feet in a building it recently acquired in the Whitman County Industrial Park in Pullman, Washington. Since 1999, the center has operated without a building, instead bringing speakers to the region and displaying exhibits at fairs. Among the permanent exhibits being considered for the center are a greenhouse, a living trout stream, and a soda fountain lab. Although children are the target audience, the center will provide learning opportunities for people of all ages. The building contribution is valued at \$750,000 and is the largest charitable gift Schweitzer Engineering has ever made. The founders of the company, Ed and Mary Schweitzer, also contributed an additional \$50,000. Schweitzer Engineering makes relays that protect electrical transmission lines, transformers, and circuits by detecting problems and, if necessary, stopping the flow of current until the problems have been fixed. "The science center becomes a reality now," said Ed Schweitzer. "It starts to come alive."

Nez Perce County

- Idaho's Governor Dirk Kempthorne toured the newly renovated Lewiston Job Service One Stop Career Center in September. While he was at the Job Service office, managers of the new Safeway store in Lewiston were interviewing applicants for the store's opening this fall. The activity, Kempthorne said, underscores the importance of Job Service in keeping Idaho's economy strong. Job Service helps businesses with recruitment, and provides many other services. Safeway, which will employ 120 people, used the center as a location to conduct interviews. Later it will do training there, too. The positions pay from slightly above minimum wage to as much as \$16 an hour.

Continued on page 24

FYI Chart 7: Southwest Idaho Construction
Average Employment 1997-2001

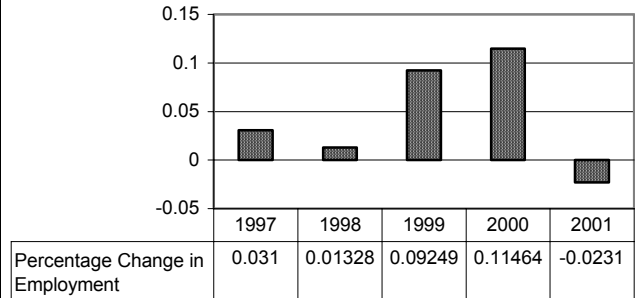


construction industry from 1997 to 2001 are shown in FYI Chart 7A. Despite a decrease in 2001, Southwest Idaho made strong gains in employment over the five-year period.

Summary

Building construction in Idaho has increased over the five-year period covering 1997 to 2001. With an increase of 14.1 percent statewide, five of the six regions in Idaho contributed to this increase in employment. Despite a slowdown in 2001, two regions still made employment gains although the state as a whole decreased in employment in this

FYI Chart 7A: Southwest Idaho Construction
Employment Rate Changes 1997-2001



industry. South Central Idaho had the largest percentage increase in employment in Idaho, while Southwest Idaho had the largest numerical gain, accounting for more than 50 percent of the increase statewide. Although the general building construction industry slowed in 2001, Idaho still experienced strong growth from 1997 to 2001.

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Seaport News — (continued from page 10)

- While the resource economy that supports many of the region's manufacturing jobs flounders, ATK's CCI-Speer operation in Lewiston is growing, propelled by the expansion of law enforcement after September 11. ATK is a weapons and aerospace manufacturer. Ammunition made in Lewiston is being purchased for new officers who were hired after September 11, including federal air marshals. ATK, which used to be known as Blount, has employed about 100 new workers, bringing the total in Lewiston to 750, according to company officials.
- While ATK is thriving after September 11, other Lewiston businesses suffered, especially those at the Lewiston-Nez Perce County Regional Airport. A restaurant at the airport closed for a time after September 11, then reopened under new management. Cloud Nine Salon at the airport closed for a short time in April after two stylists left for other jobs. The Hertz Rent A Car at the airport waived policies on one-way travel and made other accommodations to help people get home while airplanes were grounded after September 11. However, the business suffered financially because some cars ended up so far away they had to be returned by

truck. Map Travel reported negative sales after September 11, returning more to customers in refunds than it was making selling trips. But as security measures diminished throughout the country and time passed, customers returned. Map Travel experienced a key day on December 26 when agents who had been booking corporate travel almost exclusively saw a rebound in vacation packages at a time of year that sector normally is quiet. Hertz officials say they anticipate finishing this year stronger than last year in Lewiston. According to both Hertz and Map Travel, people seem to have adopted the attitude that they can't control what will happen, so they might as well make the trips they want.

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